### Florida Motor Vehicle Dealer License Requirements



State of Florida Department of Highway Safety and Motor Vehicles

# Florida Licensing Requirements for Motor Vehicle, Recreational Vehicle and Mobile Home Dealers

In Florida, motor vehicle dealers are licensed and regulated by the Division of Motorist Services under Section 320.27, Florida Statutes.

Florida law states that any person, firm, partnership, or corporation that buys, sells, offers for sale, displays for sale or deals in three or more motor vehicles in any 12-month period is presumed to be a motor vehicle dealer and must have an appropriate license issued by the State.

### **LICENSE TYPES**

There are six classes of licenses issued to motor vehicle dealers. They are:

Franchise Dealer (VF): Allows the licensee to sell new motor vehicles under an agreement with a manufacturer. This license also permits the licensee to sell used motor vehicles.

**Service facility (SF):** Allows licensed franchise dealers to service the line-makes they sell.

Independent Dealer (VI): Allows the licensee to buy, sell and deal in used motor vehicles only. This license permits the licensee to transact business at the retail or wholesale level.

Wholesale Dealer (VW): Allows licensees to only buy, sell and deal in motor vehicles only at wholesale or with motor vehicle auctions.

Auctions (VA): Allows the licensee to sell on behalf of licensed dealers, through the bid process. Auctions may not sell at the retail level unless they also have an independent license.

Salvage Dealer (SD): Allows the licensee to deal in salvage or wrecked vehicles. Any person who engages in the business of acquiring salvaged or wrecked motor vehicles for the purpose of reselling them and their parts must have a salvage dealer license. If the dealer rebuilds salvaged or wrecked vehicles, the dealer must apply for an independent dealer's license.

#### **LICENSE REQUIREMENTS**

Before going into the business of selling motor vehicles, a person must contact the Regional Office responsible for their dealership and make an appointment for a compliance officer to inspect their location. If the location is approved they must submit a completed application, with required documentation and fee to the Regional Office.

The following documents are required to complete the licensing process:

 A completed application form HSMV 86056 and \$300 fee for motor vehicle dealers or \$340 fee for mobile home or recreational vehicle dealers;

- Proof of identification/DL (see instruction guide with the application form HSMV 86056 for acceptable forms of identification);
- A true copy of property lease or proof of ownership;
- Proof of electronic fingerprints for each new officer from a FDLE authorized service provider. List of authorized service providers can be accessed at:
   <a href="http://flhsmv.gov/dmv/FDLEApprovedServiceProviderListForElectronicFingerprints.pdf">http://flhsmv.gov/dmv/FDLEApprovedServiceProviderListForElectronicFingerprints.pdf</a>
- Copy of dealer training course completion from a Department approved Dealer Training School. List can be accessed at <a href="http://flhsmv.gov/dmv/">http://flhsmv.gov/dmv/</a>
   L Dealer Trng Sch.pdf
- Original surety bond/irrevocable letter of credit (Division of Motorist Services forms only – on-line access at <a href="http://flhsmv.gov/html/forms-NUMBER\_DMV.html">http://flhsmv.gov/ html/forms-NUMBER\_DMV.html</a>
- Copy of certification from the Division of Corporations showing current registration of business and/or fictitious name to conduct business in the State of Florida (on-line access at http://www.sunbiz.org/.
- A copy of the Article of Incorporation if the dealership is a Corporation or Incorporation; Articles of Organization and Operating Agreement if the dealership is a Limited

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- Independent dealers (VI), Auction dealers (VA), and Wholesale dealers (VW) have the option to submit a copy of:
  - A garage liability insurance certificate which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection; **OR**A general liability insurance policy coupled with a business automobile policy, which shall included, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury.
- Franchise dealers (VF), Recreational dealers (RV & RU), and Mobile Home dealers/brokers (DH/BH) selling recreational vehicles must submit a garage liability insurance certificate which shall include, at a minimum, \$25,000 combined single-limit liability coverage including bodily injury and property damage protection and \$10,000 personal injury protection.
- Salvage Dealers are exempted from Garage Liability Insurance coverage.

<u>Note</u>: Franchise dealers must meet certain additional requirements

#### Failure to Obtain a License

Any person violating these licensing requirements is guilty of a second degree misdemeanor, punishable by up to six

months in jail and/or a fine of \$500. Such person will also be civilly liable for violation of Florida's Deceptive and Unfair Trade Practices Act, subject to fines of up to \$5,000 per violation, and may face a permanent injunction issued by a circuit court.

All dealer licenses are renewed annually. The Department e-mails all dealers; the renewal notice, second reminder renewal notice, delinquent notice, non-renewal notice, important announcements, legislative changes, Dealer Advisories and Technical Advisories. Therefore, it is of utmost importance for dealers to update their records with the regional offices with a current business e-mail address.

### **Useful Links**

Florida Statutes: www.flsenate.gov

Florida's Dealer Handbook: <a href="http://flhsmv.gov/">http://flhsmv.gov/</a>

dmv/DealerHandbook.pdf

How Do I?: <a href="http://flhsmv.gov/html/titlinf.html">http://flhsmv.gov/html/titlinf.html</a>

Frequently Asked Questions for Florida Motor Vehicle dealers, Recreational and Mobile Home Dealers: <a href="http://flhsmv.gov/dmv/FAQ\_MVMHRV\_Dealers.pdf">http://flhsmv.gov/dmv/FAQ\_MVMHRV\_Dealers.pdf</a>

Application Forms HSMV 86056, Renewal Form 86720 and modification form 86072: <a href="http://flhsmv.gov/html/forms-NUMBER">http://flhsmv.gov/html/forms-NUMBER</a> DMV.html

License Renewal Schedule
<a href="http://flhsmv.gov/dmv/">http://flhsmv.gov/dmv/</a>
DealerLicenseRenewalSchedule.pdf

Type of License	Licensing Period
Franchise motor	
vehicle dealer (VF)	Jan 1 - Dec 31
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Franchise service	
facility (SF)	Jan 1 - Dec 31
Independent motor	
vehicle dealer (VI)	May 1 - April 30
Wholesale motor	
vehicle dealer (VW)	May 1 - April 30
Auction dealer (VA)	May 1 - April 30
Salvage dealer (SD)	May 1 - April 30
Mobile home dealer	
(DH) or mobile home	
broker (BH)	Oct 1- Sept 30
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Recreational vehicle	
dealer (RV)	Oct 1 - Sept 30
Used Recreational	
vehicle dealer (RU)	Oct 1 - Sept 30
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Valuable information on licensing procedures and requirements can be accessed at the Department's website at <a href="http://www.flhsmv.gov/html/titlinf.html">http://www.flhsmv.gov/html/titlinf.html</a> and selecting "Dealer, Manufacturer, Distributor and Importer Information."

For further assistance, please call the Dealer License Section



## State of Florida Division of Motorist Services

### **Dealer License Section**

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Fax: 850-617-5217 www.flhsmv.gov